

**MINUTES OF THE  
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE  
WEDNESDAY, JANUARY 26, 2005, 2:00 P.M.  
Room W135, West Office Building, State Capitol Complex**

Members Present:        Sen. Howard Stephenson, Co-Chair  
                              Rep. Gordon E. Snow, Co-Chair  
                              Sen. Beverly Evans  
                              Sen. Karen Hale  
                              Rep. J. Stuart Adams  
                              Rep. Ron Bigelow  
                              Rep. Duane E. Bourdeaux  
                              Rep. LaVar Christensen  
                              Rep. Tim M. Cosgrove  
                              Rep. John Dougall  
                              Rep. James A. Ferrin  
                              Rep. Julie Fisher  
                              Rep. Karen W. Morgan  
                              Rep. Stephen H. Urquhart

Members Excused:        Pres. John Valentine

Staff Present:            R. Michael Kjar, Legislative Fiscal Analyst  
                              Ben Leishman, Legislative Fiscal Analyst  
                              Cherie Schmidt, Secretary

Public Speakers Present:    Larry Newton, State Office of Education  
                              Rep. Johnson, H.B. 188 Beginning Teacher Enhancements  
                              Rep. Menlove, H.B. 74 Tuition Reimbursement Program for Students  
                              Seeking Teacher Licensure in Disability or Special Education  
                              Rep. James R. Gowans  
                              Ray Timothy, Associate Superintendent, USOE  
                              Kim Burningham, Chairman, State Office of Education  
                              Patrick Ogden, State Office of Education  
                              Rep. Hogue, H.B. 88 Air Conditioned Buses for Students with  
                              Disabilities  
                              Polly Hill, Rehabilitation Services  
                              Dale Reeves, Rehabilitation Services

A list of visitors and a copy of handouts are filed with the committee minutes.

Committee Co-Chair Snow called the meeting to order at 2:11 p.m.

1. Approval of Minutes - There were no minutes for approval.
2. School Building Program - Mike Kjar, Legislative Fiscal Analyst, discussed the Budget Brief School Building Programs found in Tab 8 of the *Budget Analysis*. The Capital Outlay Foundation Program and Enrollment Growth Program provide revenue to school districts for outlay bonding, construction, facilities renovation, and other capital facilities needs. School districts use the monies provided solely for school district capital projects and debt service purposes. For a school district to qualify for monies under the Capital Outlay Foundation Program, a local school board must levy a tax rate of at least 0.002400 per dollar of taxable value for capital outlay and debt service. Capital Outlay Foundation monies are distributed to school districts on the basis of minimum guarantee per average daily membership (ADM) using monies in the fund and the assessed valuation per ADM in each school district. The Analyst recommends the approval of the base budget of \$24,358,000 for the Capital Outlay Foundation and \$2,930,900 for the Enrollment Growth program for a total of \$27,288,900 for FY 2006.

Committee members discussed the foundation formula for enrollment growth. It was decided that the Committee should evaluate the formula, and whether it needs to be changed.

Larry Newton, State Office of Education, addressed the Committee and stated that there has never been under the Foundation Program any district or is there presently any district that has not received the full amount that they are entitled to based on their assessed valuation or their yield for the assessed valuation. Mr. Newton stated that the issue is not the amount of the assessed valuation for yield in a district. The issue is what is the yield compared to the numbers of students in relation to the rest of the state.

Rep. Ferrin spoke on H.B. 187, and how this bill relates to capital outlay. This bill addresses how the school districts can build buildings for less money. This bill will be presented at a later date. Discussion continued among Committee members concerning the merits of this bill.

Larry Newton, State Office of Education, stated that the Capital Foundation and the Growth Funds are used not only for new buildings but are used for major renovations and major systems repair such as replacing the electrical or plumbing system. It is also used for existing capital outlay debt. He further stated that there was some misunderstanding concerning unlimited bonding capacity. This is not correct. All government entities have a limit.

3. School LAND Trust Program - Mike Kjar, Legislative Fiscal Analyst, discussed the Issue School LAND Trust Program found in Tab 6 of the *Budget Analysis*. The School LAND Trust Program (Learning and Nurturing Development) provides revenue direct to individual schools. This brief provides information on budgetary impacts associated with changing the revenue source of the School LAND Trust Program from the Uniform School Fund to the Uniform School Fund Restricted. The Analyst has adjusted the revenue source associated with the School LAND Trust Program from the Uniform School Fund to the Uniform School Fund Restricted - Interest and Dividends Account. \$1.1 million is recommended as an increase for the current FY 2006.
4. Teacher Incentive Programs - Mike Kjar, Legislative Fiscal Analyst, stated that Governor has asked for \$14 million for teacher incentives. Rep. Johnson addressed the Committee concerning H.B. 188 Beginning Teacher Enhancements. Rep. Menlove spoke in favor of appropriations for retaining teachers. H.B. 188 contains funding to support a mentoring project that would allow support to be given to beginning teachers. It provides funding for increased salaries to support them as they are spending extra time to prepare their classrooms, writing lesson plans, meeting parents, and getting inducted into the field. Mentoring teachers who spend time with beginning teachers also need compensation for their time. After five years, the beginning teachers would be on the same salary schedule as other teachers in the district.

Rep. Gowans also addressed the Committee in support of H. B. 188. He stated that this bill is key to keeping teachers in the profession.

Rep. Johnson continued with a request for funding the Teacher Incentive Program because it will improve the quality of teachers and will, therefore, affect the quality of students.

Rep. Menlove discussed H.B. 74 Tuition Reimbursement Program for Students Seeking Teacher Licensure in Disability or Special Education.

Ray Timothy, Associate State Superintendent, addressed the Committee concerning teacher incentives.

In summary, the request to the Committee is to earmark a portion of the money that would have gone to the WPU for this program.

Rep. Menlove continued with a discussion on H. B. Bill 74 which has a Fiscal Note of \$500,000. She is proposing \$500,000 to provide scholarships and tuition reimbursement to nontraditional students to help them return to school and become licensed in either special education teaching, school psychology, or speech pathology. Rep. Menlove is also

proposing a tuition reimbursement program similar to the T. H. Bell but that would be targeted more toward nontraditional students who are picking up a second bachelor's degree and needing to go to school part-time. T. H. Bell does not cover this aspect of tuition reimbursement. This reimbursement would come after the student has completed the degree. They would receive a \$500 bonus for entering into a special education area of study. They would complete the program paying tuition on their own; and then for every year that they teach in the school system, they would be reimbursed for the tuition.

Ben Leishman, Legislative Fiscal Analyst, discussed Issue Brief Public Education Job Enhancement Program. The Legislature created the Public Education Job Enhancement Program during the 2001 General Session. The purpose of the program is to attract and retain highly qualified secondary math, physics, chemistry, physical science learning technology, and information technology teachers. Senate Bill 61 (2001 General Session) created the Public Education Job Enhancement Program and the Public Education Job Enhancement Committee. The bill appropriated a total of \$9.9 million, \$2.4 million ongoing in FY 2002 and \$7.5 million one-time in FY 2001, to implement the provisions outlined in the bill. As revenues began to decline in FY 2002, the Legislature removed \$600,000 in ongoing revenue. The ongoing appropriation for the program was further reduced by \$1.2 million in FY 2003. Finally, during the 2004 General Session, the Legislature removed the remaining \$600,000 in ongoing revenue supporting the program. Currently, only the balance of the original one-time appropriation supports the program. At the end of FY 2004, this balance amounted to \$3,055,000. With the Leavitt and Walker administrations, the Public Education Job Enhancement Program was administered through the Governor's Office. With the Huntsman administration, the management of the program has been moved to the State Office of Education.

The Analyst recommends that the Legislature provide authorization for the State Office of Education to use Minimum School Program carry-forward revenue dedicated for the Public Education Job Enhancement Program to support program administration at USOE. The amount authorized would be \$26,000 in FY 2005 and up to \$60,000 in FY 2006 until the completion of the program.

Sen. Stephenson raised a question concerning the amount of appropriation that would be needed to restore the program to an ongoing program to assure adequacy of math and science teachers in the schools. Ben Leishman, Legislative Fiscal Analyst, responded with a figure of \$2.4 million to restore the program. Sen Stephenson recommended that the Committee evaluate the need for the restoration of this program for math and science teachers.

Sen Stephenson acknowledged the work of the Leonardo at Library Square. The Leonardo is a regional Science, Art, and Culture center. They offer a program that

benefits math and science teachers as well as students. The Leonardo will be funded through contributions from private foundation, business, individuals, government organizations, and a \$10 million bond passed by Salt Lake City voters in November 2003. The Leonardo provides Global Artways, a Center for Documentary Arts, and a Utah Science Center.

5. Public Education Agencies - Adopt Base Budgets and Compile Subcommittee Funding Priorities - Sen. Snow stated that a priority list would be given to the Committee members so that appropriations can be prioritized. The adoption of Base Budgets will be done after this list has been discussed.

Kim Burningham, Chairman of the State Office of Education, addressed the Committee in support of funding for UBSCT. This is a competency test that is given to all high school students as a requirement for graduation. A request was made for additional funding to support students who do not pass the test by providing special help and training. Mr. Burningham suggested that a line item of \$6 million be appropriated for the purpose of remediating students who have failed the test.

6. Bills - Rep. Hogue spoke to the Committee concerning H.B. 88 Air Conditioned Buses for Students with Disabilities. He requested \$320,000 one-time matching funds to retrofit buses with air conditioning. This amount is a supplement to the current budget.

A reference was also made to H.B. 154. The Intent Language states, "It is the intent of the Legislature that \$60,000 be appropriated from the Uniform School fund as a one-time supplemental fiscal year 2005 to the State Office of Education for the purpose of preparing teachers to present financial literacy curriculum."

7. Other Business - An explanation of the 2006 base budget was given by Sen. Snow.

Polly Hill from Davis County spoke in support of the Vocational Rehabilitation Program.

Dale Reeves also addressed the Committee concerning the Vocational Rehabilitation Program.

**MOTION:** Sen. Hale moved to adjourn.

Committee Co-Chair Snow adjourned the meeting at 4:25 p.m.

Minutes were reported by Cherie Schmidt, Secretary

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Sen. Howard Stephenson, Committee Co-Chair

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